HB 4117 STAFF MEASURE SUMMARY

House Committee On Economic Development

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Meeting Dates: 2/5

WHAT THE MEASURE DOES:

Authorizes an eligible business to deliver malt beverages, wine, or cider to a final consumer through the use of a delivery person. Authorizes an Oregon Liquor Control Commission (OLCC) retail sales agent to deliver distilled liquor to a final consumer through the use of a delivery person. Sets requirements for a delivery person and conditions for alcohol to be delivered by delivery person. Allows OLCC to develop, implement, and maintain an electronic system for consumer ordering of distilled liquor from retail sales agents. Allows registered third party provider to provide technology that facilitates the ordering and payment by a final consumer and to direct or deploy a delivery person to deliver alcoholic beverages on behalf of an eligible business or retail sales agent. Requires a written agreement between an eligible business or retail sales agent and a third party provider and specifies agreement terms. Allows third party provider and delivery person to charge a fee for delivering alcoholic beverages. Sets civil penalties for delivery person and third party provider. Adds training in making delivery to a final consumer part of the service permit training. Requires that shipment of alcoholic beverages to a final consumer made under a direct shipper permit be delivered to a final consumer by a person having the qualifications of a delivery person. Removes restriction on visibility of signs or displays at liquor stores.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

The Oregon Liquor Control Commission (OLCC) oversees the sale of alcoholic beverages and recreational marijuana to allow access to responsible adults while protecting Oregon's public health, safety, and community livability. The OLCC was created in 1933 during a special session of the Legislative Assembly following the end of national prohibition. Oregon chose a "control" system, giving the state the exclusive right to sell packaged distilled spirits through retail liquor stores operated by contracted agents, and is one of seventeen states that sell distilled spirits through government-operated stores or designated outlets that the state supervises under a sales agent contract. The OLCC manages and distributes distilled spirits, licenses and regulates businesses that sell and serve alcohol, and trains and issues permits for alcohol servers.

Legislation enacted in 2008 first allowed off-premises sales license holders to deliver wine or cider to Oregon residents after obtaining a direct shipper permit. Malt beverages were added in 2015. OLCC has adopted specific rules guiding the delivery of malt beverages, wine, or cider. OLCC rules also allow shipment of distilled spirits purchased in-person at a retail liquor store location to a resident of Oregon who is at least 21 years of age.

House Bill 4117 allows eligible businesses and OLCC retail sales agents to deliver alcoholic beverages to a final consumer through the use of a delivery person; sets the requirements for delivery persons and the conditions for alcohol delivery; and allows electronic platforms or technology to facilitate consumer ordering, payment, and delivery of alcoholic beverages.